MASSACHUSETTS WATER RESOURCES AUTHORITY



Charlestown Navy Yard 100 First Avenue, Building 39 Boston, MA 02129

Frederick A. Laskey Executive Director

Telephone: (617) 242-6000 Fax: (617) 788-4899

TTY: (617) 788-4971

By Email and First Class Mail

October 17, 2008

Howard B. Bernstein RPS Program Manager Department of Energy Resources 100 Cambridge Street Boston, MA 02114

RE: Comments Upon the Renewable Portfolio

Standard Under G.L. Chapter 25A, Section 11F

Dear Mr. Bernstein:

The Massachusetts Water Resources Authority ("MWRA") welcomes this opportunity to submit preliminary comments to the Department of Energy Resources (DOER) regarding the implementation of the Green Communities Act ("GCA").

MWRA is a Massachusetts public authority established by an act of the Legislature in 1984 to provide wholesale water and sewer services to 2.5 million people. The MWRA supplies wholesale water to local water departments in 50 communities. The transmission system consists of over 100 miles of tunnels and aqueducts which transport water largely by gravity to points of distribution within the MWRA service areas.

MWRA currently captures the energy of this falling water by generating hydropower at two locations within its water transmission system, and seeks to do so at a third location, its Loring Road Covered Storage Facility. MWRA also captures energy at the Deer Island Sewage Treatment Plant from flows of treated wastewater, from digester gas, and photovoltaics. MWRA also has a wind power project under development for the Deer Island facility. MWRA believes that its projects should qualify as Class I or Class II renewable generating sources under the GCA. MWRA has made a major commitment to reducing energy consumption at its facilities in an effort to reduce both operating costs and the environmental impacts of its daily operations. MWRA has also made it a priority to site and implement new renewable energy projects at as many facilities as feasible. MWRA recognizes that the financial incentives from these renewable energy projects will also help to alleviate some of the financial

stress of these difficult economic times by reducing MWRA's overall cost of operating and maintaining our water and sewer systems.

At Deer Island, MWRA operates two hydro-electric 1 MW generating units that recover energy from the flow of treated wastewater as it drops down 400 feet from the wastewater effluent channels of the plant into the outfall tunnel shaft. These units began operation in July, 2001, and generate an annual average of 5,400,000 kWh/yr. MWRA uses almost 100% of the power on-site.

MWRA's Oakdale Station in West Boylston has a 3.5 MW turbine that has been generating power since 1947 from the flow of water in the Quabbin Aqueduct as water is transferred from the Quabbin Reservoir to the Wachusett Reservoir. MWRA rehabilitated this turbine in 1991. Currently, its annual average generation is 13,000,000 kWh. MWRA exports 100% of the power generated at this facility.

MWRA's Cosgrove Station, in Clinton, has two 1.2 MW turbines that generate power from the flow of water from the Wachusett Reservoir into the Cosgrove Aqueduct. These turbines were put into operation in 1969. Their annual average power generation is 3,000,000 kWh. Approximately 85% - 90% of the power generated is exported.

The Federal Energy Regulatory Commission ("FERC") has granted each of these facilities a "conduit exemption." A conduit exemption would also be sought for MWRA's potential Loring Road hydro project, as this project would consist of the installation of a hydro-turbine driven generator in an existing below ground valve chamber that is located between two water storage tanks in MWRA's distribution system.

DOER should consider the existing requirements for FERC as an effective source of the site specific standards called for by the GCA for hydroelectric projects. The FERC approval process, for conduit facilities as well as more common hydropower projects, involves a three-stage consultation process which seeks input from numerous state and federal resource agencies as well as other stakeholders. Further, DOER should recognize that facilities that FERC has determined to be "conduit exemption" facilities have minimal environmental impacts. For each of these projects, FERC's regulations prescribed an abbreviated environmental report. Neither an "environmental assessment", nor an "environmental impact report," was required to be prepared. In some cases, like Loring Road and the Cosgrove facility, projects do not involve any discharge to surface waters. Therefore, MWRA recommends that the site specific standards for the GCA regulations should also provide that FERC conduit exemptions for projects which are parts of water and sewer infrastructure are categorically included as meeting appropriate and site specific standards.

If you would like to discuss MWRA's operations further, please contact Kristen Patneaude at (617) 660-7871, or Pam Heidell at (617) 788-1102.

Sincerely

Michael J. Hornbrook Chief Operating Officer

cc: Courtney Feeley-Karp, DOER